

Commercial General Liability
Virginia Filing Checklist

| REVIEW REQUIREMENTS | REFERENCE | COMMENTS |
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| FORMS | | |
| Applications | | |
| Are not subject to the review or approval of the Virginia BOI | § 38.2-305 § 38.2-317 | An application for insurance is not a “policy form” or “endorsement” under the provisions of Virginia law. In order to satisfy Virginia's form filing requirements, all coverages, terms, exclusions, and conditions of the policy must be contained in the policy forms and/or endorsements. It is the insurer's responsibility to make sure that any provisions in an application have also been approved in the policy forms or endorsements. |
| Fraud Statement Required | § 52-40 B | Fraud language must be included in every application. If the company's fraud notice uses wording other than the statutory wording, the Fraud Bureau of the Virginia State Police must approve the revised language. The statutory language is as follows; “It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.” |
| Warranties in Applications Prohibited | § 38.2-309 | Statements in applications are representations, not warranties, and may not be used to bar recovery unless the statement was material to the risk and proven untrue. |
| Arbitration | | |
| Binding Arbitration and/or Appraisal Provisions Prohibited | § 38.2-312 Administrative Letter 1998-12 | Arbitration and/or appraisal provisions are allowed, but the result of the arbitration or appraisal cannot be stated as binding in the policy. Binding arbitration between insurance companies is acceptable. |
| Bankruptcy Provision | | |
| Required | § 38.2-2200 | Provisions must address bankruptcy or insolvency of the insured or the insured's estate as well as when an action may be maintained against an insurer (unsatisfied judgement clause.) |
| Cancellation & Nonrenewal | | |
| Advance Written Notice Required | § 38.2-231 Administrative Letter 1987-14 | Fifteen days notice to all named insureds is required if cancellation or non-renewal is for non-payment of premium; 45 days notice is required for all other reasons. |
| Calculation of Return Premium | § 38.2-305 | The method of calculation of return premium upon cancellation must be clearly stated in the policy. |
| Filing Standards | | |
| 30-Day Prior Approval | § 38.2-317 Administrative Letter 1990-3 | Forms must be filed at least 30 days prior to the proposed effective date and will be approved or disapproved within 30 days of receipt by the Bureau. This 30-day period may be extended by the Bureau in writing for an additional 30 days if necessary. Cover letter must request implementation based on “policies effective” on and after a specific date, which is at least 30 days after the filing will be received by the Bureau. |
| Line of Authority | § 38.2-117 § 38.2-118 | This coverage must be included in the definition of Personal Injury Liability and Property Damage Liability and the company must be licensed to write these lines of insurance. |
| Clear and Unambiguous Language | § 38.2-317 | Policy forms and endorsements shall not contain misleading, inconsistent, ambiguous, unclear, or deceptively worded provisions, exceptions, or titles. |
| Type Size | § 38.2-311 | All policy forms and endorsements must be printed in 8 point or larger type. |
| Countersignature | § 38.2-323 | No insurance policy shall contain any provision that deems a policy to be invalid due to the absence of the signature or countersignature of an agent or company representative. |

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| Contents of Policies | § 38.2-305 § 38.2-310 | The policy must include all conditions pertaining to the insurance. All fees, charges, premiums, or other consideration charged for the insurance must be stated in the policy. |
| Carbon monoxide exclusions | § 38.2-235 | Policy of insurance providing coverage for personal injury or property damage are not deemed to exclude coverage for the discharge, dispersal, seepage, migration, release, emission, leakage or escape of carbon monoxide from a residential or commercial heating system unless excluded by specific reference in the policy. |
| Rate Service Organization (RSO) Form Filings | § 38.2-317 H | If an insurer authorizes an RSO to file forms on its behalf, the insurer must notify the Bureau on or before the effective date of the RSO filing of its intentions to non-adopt or delay implementation of the filing. If an insurer wishes to use the form(s) filed on its behalf without amendment on the RSO's effective date, the insurer does not need to notify the Bureau. If an insurer intends to modify any of the forms filed on its behalf by the RSO, the 30-day prior approval filing process applies to the modification. |
| Claims Made Extended Reporting A claims made regulation was issued for policies effective 1-1-1-2005 setting the minimum standards required for a claims made policy. Companies may have provisions in their contract with provisions that are broader than the minimum standards. See Rules Governing Claims Made Liability Insurance Policies. | INS-2002-01310 & Chapter 335 of Title 14 of the Virginia Administrative Code § 38.2-2229 | An Extended Reporting Period option (ERP) must be offered to the named insured upon cancellation or nonrenewal by either the insurer or the insured, upon advancement of any retroactive date, or upon renewal on other than a claims made basis. The insured shall be allowed at least 30 days after termination to purchase the extended reporting period. The insurer does not have to offer the ERP if cancellation is due to nonpayment of premium, failure to comply with terms or conditions of the policy or fraud. An ERP of two years duration must be offered for liability policies except for those policies providing medical malpractice coverage, which require an offer of an unlimited ERP. However, this shall not prohibit the insurer from also offering greater or more limited extensions of time to report claims. Each insurer must offer an extended reporting period that includes unimpaired limits of liability equal to the limits of the policy being extended. However, this shall not prohibit the insurer from also offering higher or lower limits of liability applicable to the extended reporting period. This requirement does not apply to excess or umbrella policies or environmental or pollution liability coverage or the limited extended reporting period of 60 days or less provided automatically without any additional premium charge. It also does not apply to any class, line subclassification, or market segment exempted from this requirement by order of the commission. When excluding existing coverage from a claims made contract and the policy is in effect or renewed, the insurer shall offer an extended reporting period on the same basis as if the policy were being terminated. The insured must be allowed at least 30 days after termination in which to purchase the ERP. Once in effect, the ERP cannot be cancelled by the insurer except for nonpayment of premium or fraud. Except with respect to the extended reporting period of 60 days or less provided automatically without additional premium charge, an insurer shall not void the coverage on the basis that other applicable insurance is in effect. However, this shall not prohibit an insurer from applying the extended reporting period coverage as excess over such other insurance. |
| Large Commercial Risk Form Exemption | § 38.2-1903.1 | Exemption for large commercial risk meeting defined criteria from the filing of forms. The forms must continue to meet all provisions of the Code of Virginia. |

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| Liberalization Clause | | |
| Not Required | | |
| Loss Settlement | | |
| Limiting Time to Bring Action | § 38.2-314 | No provisions shall limit the time to bring action to less than one year after a loss occurs or a cause of action accrues. |
| RATING | | |
| Pricing | | |
| Rules and Rates Are File and Use and The Following Requirements Apply: | § 38.2-1904 § 38.2-1906 | Rates must not be excessive, inadequate, or unfairly discriminatory. Rates must be filed on or before the proposed policy effective date. |
| Certification Required | Administrative Letter 1987-11 | A completed and signed COF-1 form must be provided for all rate filings except for installment fees, minimum premiums or waivers of premium. |
| Annual Manual Basic Limits Premium Of \$150,000 Or More Rates And Supplementary Rate Information Exemption for General Liability Insurance | Administrative Order 10210 | Companies are exempt from the requirement to adhere to filed rates and supplementary rate information when the annual manual basic limits premium is \$150,000 or more based on the company's filings. Rates must not be excessive, inadequate or unfairly discriminatory. |
| Rates for Employment Practices Liability When Attached to A General Liability Filing Are Exempt from Filing Requirements. | Administrative Order 11167 | Rates must not be excessive, inadequate, or unfairly discriminatory. |
| Rates for Pollution Liability Are Exempt from Filing Requirements. | Administrative Order 11248 | Rates must not be excessive, inadequate, or unfairly discriminatory. |
| Rates for Architects and Engineers Professional Liability Coverage When Attached to A General Liability Contract Are Exempt from Filing Requirements. | Administrative Order 11248 | Rates must not be excessive, inadequate, or unfairly discriminatory. |
| Rates for Directors and Officers When Attached to a General Liability Policy Are Exempt from Filing Requirements. | Administrative Order 11249 | Rates must not be excessive, inadequate, or unfairly discriminatory. |
| Rates for Fiduciary Liability When Attached to A General Liability Policy Are Exempt from Filing Requirements. | Administrative Order 11249 | Rates must not be excessive, inadequate, or unfairly discriminatory. |
| Rates for Medical and Pharmaceutical Clinical Trials Testing Are Exempt from Filing Requirements. | Administrative Order 11249 | Rates must not be excessive, inadequate, or unfairly discriminatory. |
| Rates for Coverage for Year 2000 Related Computer and Other Electronic Problems Are Exempt | Administrative Order 11293 | Rates must not be excessive, inadequate, or unfairly discriminatory. |

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| from Filing Requirements. | | |
| Rates for Liquor Liability Coverage are Exempt from Filing Requirements. | Administrative Order 11397 | Rates must not be excessive, inadequate, or unfairly discriminatory. |
| Technology Liability Rates and Supplementary Rating Information Exemption | Administrative Order 11508 | Rates and supplementary rating information are exempt from filing requirements. Rates must not be excessive, inadequate, or unfairly discriminatory. |
| Classes That are “a” Rated Are Exempt from Filing Requirements | Administrative Order 11542 | Rates must not be excessive, inadequate, or unfairly discriminatory. Classes listed in the “a” rate order are exempt and should not be filed. If a rate is filed for an “a” rated class, then the rate becomes a filed rate. |
| Large Commercial Risk Rate, Supplementary Rate Information Exemption | § 38.2-1903.1 | Exemption for large commercial risk meeting defined criteria from the filing of rates and supplementary rate information. The rates and supplementary rate information must continue to meet all provisions of the Code of Virginia. |
| Capping Rule | § 38.2-1906 F | Insurers are permitted to file a rule to limit any rate increase for its renewal policies. The filing must specify the period of time during which the rate cap will apply (not to exceed five years.) |
| Rules for Forms | Administrative Requirement | A rating rule must be filed for every premium- bearing endorsement. |
| Premium Waiver Rule | Administrative Letter 1983-12 | Return premiums must be paid upon request and the named insured must be notified that a return premium is available. |
| “Refer to Company” References | Administrative Letter 1985-11 | “Refer to Company” rules must indicate resulting rates must be filed with the Bureau prior to use. |
| Claims Made Rates | § 38.2-1904 Administrative Order 11542 Administrative Order 11542 | Claims made rates must reflect the maturity steps, if applicable. Specific rates must be filed for extended reporting except for primary general liability and rates that would otherwise be exempt. |
| Rate Service Organization Reference Filings | Administrative Letter 1990-5 | Form VA-RFA-1 must be completed to adopt or delay (if filed for future) rate service organization (RSO) reference loss costs filings. The applicable RSO reference filing number for the latest applicable loss costs filing must be cited. |
| Specific Rates Required | § 38.2-1906 | Rates must be specific. Ranges of rates are not permitted. |
| Tiered Pricing Programs | § 38.2-1904 § 38.2-1906 | Tiered Pricing within the same company is allowed. However, the company must provide eligibility requirements for each tier for new and renewal business. Insurers are required to “re-underwrite” at renewal to determine the appropriate rates are applied. See the Virginia Filings Guideline Handbook for further explanation. |
| Installment Payment Plans | § 38.2-310 Administrative Letter 1993-6 | Insurers must file all available payment plans including down payment options, installment options and any applicable service fees. One filing may be made for all lines of insurance if the lines are noted in the filing. |
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| Rating Plan Requirements | | |
| Experience and Schedule Rating Plans (If not exempt) | Administrative Letter 1983-9 Administrative Letter 2001-12 | Maximum total credit/debits must be specified. Rules must state how modifications will be combined (additively or multiplicatively) and whether expense modifications are included in, or separate from, such plans. |
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| Expense Reduction Plans | § 38.2-1904 E | Insurers are permitted to use expense reduction plans. Expense reduction plans permit agents to reduce their commission, thus lowering the premium to be charged to the insured. Such plans must be filed as part of the insurer's manual of rates and supplementary rate information. Each available reduction level must be specified. The plan should specify if the commission level applies to new or renewal business or both. The plan must represent a reduction in premium for each expense reduction level; increases are not acceptable. |
| General Filing References | | |
| Cover Letter | Administrative Letter 1983-7 Administrative Letter 1990-3 | The cover letter must contain the NAIC number and the full company name of each company for which the filing is submitted. The cover letter must request implementation based on "policies effective" on and after a specific date. |
| Third Party Filers | Administrative requirement VA Filing Guidelines Handbook | Third party filers must provide a signed original letter of authorization or a signed authorization form. The form is included in the Virginia Filing Guidelines Handbook. |
| Form's list Withdrawing or Replacing Forms or Manual Pages | Administrative Requirement | An updated list of forms in numerical order, including form numbers, edition dates, and titles, must be provided with every filing that includes forms. The notation of "mandatory" or "optional" for non-premium bearing forms on the form's list suffices for a manual rule. The cover letter should indicate whether any forms or manual pages are being withdrawn or replaced. |
| Copies, Return Envelope | Administrative Requirement | A complete copy of the filing must be provided for each company for which the filing is being submitted. An extra copy of the cover letter must be included for acknowledgement, along with a postage-paid envelope. |
| Independent Forms Amending RSO Forms Must Track. Amendments to RSO Rules Must Also Track. | § 38.2-317.B.3 | Independent forms amending an RSO form must track the form being amended. Likewise, amendments to RSO rules must track and state the specific rule being amended |
| Rate and/or Rule Pages Required. | Administrative Requirement | The company must provide the rules and/or rates on 8-1/2x11" size paper. The rule and/or rate pages should not be labeled as "Exhibit" or contain similar reference. Rate and rule pages should be labeled with the company or group name and the program type or name. |
| Filings must be made by line and by program | Administrative Requirement | Filings (other than installment payment plans) must be made separately by line of insurance and/or by program and include a complete copy of the filing for each company to which it applies. Group filings must be sorted and collated by company. This also applies to replies to correspondence and to re-submissions. |

Access to Administrative Letters, Administrative Orders, Regulations and Laws is available at
<http://www.scc.virginia.gov/division/boi/webpages/boiadministrativeltrs.htm>

The Commercial Multiline Rates and Forms Section handles commercial general liability insurance programs. Please contact this section at (804) 371-9298 if you have questions or need additional information about this line of insurance.

CERTIFICATION OF FILING

I hereby certify that I have reviewed the attached General Liability Filing and determined that it is in compliance with General Liability Review Standards Checklist.

Signed: _____

Name: _____ **Title:** _____

Company Name: _____

Date: _____ **Phone No: ()** _____ **FAX No: ()** _____

E-Mail Address: _____